

PRESS RELEASE

Cards are the preferred payment method for both consumers and merchants

- New report by Payments Europe shows that:
 - Europe has a competitive payments market in which the card industry continues to deliver value to end-users
 - Cards are the preferred payment method for both consumers and merchants
 - Europeans believe that card payments provide more added value compared to any other payment method
 - Merchants believe that the value brought by card payments outweighs the cost

Brussels, 5 December 2019 – According to a new [report](#) ‘Cards in the evolving European payments landscape’ presented today by Payments Europe, Europeans believe that card payments provide more added value than any other payment method. Nine in ten consumers (87%) across Europe feel comfortable paying by card as it helps ensure safe and secure transactions. Ninety percent of retailers agree that the benefits brought by card payments outweigh any associated cost.

The study also shows that the use of cards has expanded over the past few years to be the preferred payment method for both consumers and merchants thanks to the significant benefits it offers compared to other payment methods. For consumers, benefits include convenience (49%), speed (35%), complimentary insurance (36%), retailer acceptance (40%) and cash back on purchases (35%).

Merchants overwhelmingly believe that card payments are more cost effective compared to cash payments, due to the labour and risk involved with cash. Almost two thirds of merchants (61%) argue that card payments are the most convenient for them. The main benefits compared to other payment methods include guaranteed payment (53%), increased sales (44%) and access to a broader customer base (38%).

Board member of Payments Europe, Hendrik Frank from Deutsche Kreditbank AG, explains: “Our research shows that consumers and retailers have access to a broad spectrum of payments methods but that cards, whether physical or virtual, still rate as the highest among the different payment options. This demonstrates that Europe has a competitive payments market in which the card industry continues to deliver value to end-users.”

Each payment method has different features and functionalities, and consumers and retailers alike are increasingly choosing the method that is best for them or for a specific transaction, the research shows. This ultimately means that there are more choices available on the market now than there were in the past, when only cash and cards were competing.

“The payments industry is undergoing a period of unprecedented innovation, driven by shifts in consumer behaviour, new regulations and technologies. These factors are creating an increasingly open, dynamic and competitive environment, which can only be positive for European consumers and merchants,” adds board member of Payments Europe Andrew Auden, from Bank of America.

Board member of Payments Europe Mikael Svensson, from Mastercard, concludes: *“Payments Europe welcomes and drives innovation and competition in the payment market. We believe in a level playing field where all players operate under the same regulatory conditions. This should allow for multiple payment methods to operate at scale alongside each other.”*

Payments Europe has produced this report to evaluate the landscape and the opinions of both consumers and retailers regarding their preferred payment method. It aims to provide more insight into where the market stands today and where it is headed for the future.

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About Payments Europe

Payments Europe, a trade association established in Brussels, has the statutory goal to represent the card-based payments industry. Our mission is to promote a better understanding of the complexity and inherent value the four-party card scheme business model brings to all parties in the payments ecosystem. We support a vibrant, innovative, and competitive European payments market, that is based on a balanced regulatory framework and puts consumers and consumer protection at the heart of everything.

Payments Europe is currently constituted of 14 members active throughout Europe representing card issuers, card acquirers, card schemes and other stakeholders active in the ecosystem that offer card-based payment solutions.

More info here www.paymentseurope.eu or @PaymentsEurope

Notes to the editors – research methodology:

The report *‘Cards in the evolving European payments landscape’* is based on research commissioned by Payments Europe and conducted by FTI Consulting from 5th to 20th September 2019. A survey was completed by 3,120 consumers in France, Germany, Italy, Poland, Sweden and the UK (520 in each) and by 680 merchants (110 in France, 110 in Germany, 111 in Italy, 120 in Poland, 120 in Sweden, and 109 in UK).